

City of Farmersville

December 30, 2005

Annual Progress Report on Implementation of the Housing Element

This report is prepared for the reporting period of January 1, 2005 to December 31, 2005. In addition, some information has been provided from January 1, 2001 through December 31, 2004 to indicate progress in meeting the Fair Share Housing Allocation noted by the Tulare County Association of Governments. The report is provided to the Planning Commission and the City Council as an informational item. The adoption of this document is not mandated by law, however, *"a report must be provided to the legislative body on the status of the Housing Element and progress on its implementation, including the City's progress in meeting its share of regional housing needs"* (California Govt. Code Section 65400 (b) (1)).

A. Progress in meeting Regional Housing Need

Prior to a local agency's update to its Housing Element, the local Council of Governments is required to adopt a Regional Housing Needs Assessment (RHNA). The RHNA uses the State calculated number of houses to be constructed within the County and divides this fair share number between the local jurisdictions. The fair share number is based upon the number of units constructed over the previous 20 years by each jurisdiction. The RHNA was adopted by the Tulare County Association of Governments (TCAG) on November 4, 2002. The local jurisdiction then updates the Housing Element of its General Plan using this fair share number. Farmersville City's adopted Housing Element (as revised in March 3, 2005) which also covers the period from January 2001 to July 2008. This report analyzes Farmersville City's progress in meeting its fair share allocation for the calendar year 2005 and provides some data for previous years to help determine progress towards meeting the overall housing goals.

The City is not required to develop the needed housing units identified in the RHNA; however, it needs to provide a sufficient amount of planned available residential land so these units could be constructed within the above timeframe. The Housing Element projected that the City has sufficient planned residential land acreage available to accommodate the projected Housing Needs provided by TCAG. Table 1, below, shows the City's fair share housing unit needs as identified in the adopted Regional Housing Needs Assessment.

**Table 1. City of Farmersville Regional Housing Needs Assessment
January 1, 2001 to July 21, 2008**

| Total projected Need | Very Low Income | Low Income | Moderate Income | Above Moderate Income |
|-----------------------------|------------------------|-------------------|------------------------|------------------------------|
| 376 | 61 | 54 | 39 | 221 |

1. Total number of new housing permits issued by City of Farmersville this reporting period:

During the period from January 1, 2005 through December 31, 2005, the City issued 46 new housing permits including 1 mobile home. This compares with 79 permitted units during the previous year, not including mobile home permits. Though there has been a decline in new permits this past year it is anticipated that new home permits will increase this coming year and will increase even more dramatically in following years due to the fact that over 100 acres of land has been approved for housing development within the City limits. Table 2 presents the number of housing units the City permitted by month for the current reporting year.

**Table 2. Units Permitted Per Month
January 1, 2005 to December 31, 2005**

| Jan | Feb | March | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Total |
|------------|------------|--------------|--------------|------------|-------------|-------------|------------|-------------|------------|------------|------------|--------------|
| 9 | 6 | 8 | 6 | 4 | 4 | 2 | 0 | 2 | 1 | 2 | 2 | 46 |

2. Affordability, by income level, of new units including the number of deed restricted affordable housing units:

HCD determines the income limits for Very Low Income, Low Income, Moderate Income and Above Moderate Income households. Those households which earn less than 51% of the Area Median Income (AMI) (\$49,100 in 2005) are in the Very Low Income category. Likewise, 51% to 80% of AMI is Low Income; 81% to 119% of AMI is Moderate Income; and 120% of AMI and above is Above Moderate Income. These categories are more thoroughly explained in RHNA and the Housing Element.

Housing costs are not to exceed 30% of the family's monthly income. A maximum rent or home payment is calculated for each income category. Housing units permitted within the reporting period are then classified based on the price of the building permit. Table 3 shows data from the 2005 reporting year information broken out into the categories explained above.

Table 3. Affordability Characteristics of Units Added since 2001

| Reporting Year | Very Low Income | Low Income | Moderate Income | Above Moderate Income | Total Building Permits |
|----------------|-----------------|------------|-----------------|-----------------------|------------------------|
| | | | | | |
| 2001 | 16 | 10 | | | 36 |
| 2002 | 8 | 2 | | | 46 |
| 2003 | 47 | 1 | | | 154 |
| 2004 | | | | | 79 |
| 2005 | <u>1</u> | <u>3</u> | | | <u>46</u> |
| Totals | 72 | 16 | | | 361 |

Deed Restricted Units for time period: 47 (Tax credit multifamily project)

3. *Compare units added to regional housing need allocation by income category:*

Table 4 summarizes the City's remaining fair share needs through July 2008, calculated by subtracting the permitted housing unit totals since January 2001 (Table 3) from the "Planned Need RHNP" column.

It is estimated that private development will exceed the RHNA planned need. It appears that the City has surpassed the very low income housing goal; needs more progress on the low income goal and probably is well on the way to meeting the moderate income housing need. As housing prices increase and the resulting incomes of families need to be higher to qualify for higher mortgages, it is likely that more units will be built that only above moderate income families can qualify for.

**Table 4. Remaining Regional Share of Housing
January 1, 2001 to July 31, 2008**

| Income Group | Planned Need (RHNP) | After Year 2000 Units | 2005 Annual Report Units | Remaining Fair Share Need |
|-----------------------|---------------------|-----------------------|--------------------------|---------------------------|
| Very Low Income | 61 | 71 | 1 | -10 |
| Low Income | 54 | 13 | 3 | 40 |
| Moderate Income | 39 | ?? | ?? | ?? |
| Above Moderate Income | 221 | ?? | ?? | ?? |
| Totals | 376 | 315 | 46 | 15 |

B. The effectiveness of the housing element in attainment of the community's housing goals and objectives

The housing element has been used as a guide for the designation of land uses and zoning. The housing element has also been used to target the development of housing for various income groups. City has been approved projects that have served all ranges of income groups.

C. Progress toward mitigating governmental constraints identified in housing element

Since 2001, the City has annexed over 100 acres of land and designated the use of this land for residential development. Homebuyer assistance programs have helped lower income families attain home ownership. Redevelopment funds have been targeted to assist with the rehabilitation and development of affordable housing.

ATTACHMENT D
WFH Annual Progress Report
on Implementation of the Housing Element
General Plan Report requirement pursuant to
Section 65400 of the Government Code

Jurisdiction: City of Farmersville

Address: 909 West Visalia Road, Farmersville, CA 93223

Contact: Rene' Miller Title: Acting City Manager

Phone: (559) 747-0458

Report Period: 01/01/05 To: 12/31/05

The following must be included in the report:

A. Progress in meeting Regional Housing Need

1. Total number of new housing permits issued
2. Describe the affordability, by income level, of new units including the number of deed restricted affordable housing unit.
3. Compare units added to regional housing need allocation by income category (very low, lower, moderate, and above moderate)

B. The effectiveness of the housing element in attainment of the community's housing goals and objectives

1. Include a program-by-program status report relative to implementation schedule from each program in the housing element; describe actions taken to implement each program
2. Assess effectiveness of actions and outcomes

C. Progress toward mitigating governmental constraints identified in the housing element.